[19th August 1925

Appendix XII.

[Vide item IV (1) Communications to the Council on page 219 supra].

G.O. No. 942, Development, dated 30th June 1925.

Read—the following papers :—

I

Letter from E. F. Thomas, Esq., C.I.E., I.C.S., Director of Industries, to the Secretary to Government, Development Department (through the Accountant-General), dated Madras, the 27th April 1925, No. 163-E.

I have the honour to forward herewith the audit report and the accounts of the Fruit-Preserving Institute, Coonoor, for the quarter ending the 31st December 1924 received from Messrs. Fraser & Ross, Madras, from which it will be seen that a loss of Rs. 5,173–1–8 was sustained during the quarter under report. My remarks on the report will be submitted separately.

Enclosure

Letter from Messrs. Fraser & Ross, Chartered Accountants, Commercial Accountants and Auditors to the Government of Madras, to the Director of Industries, dated Madras, the 23rd April 1925.

[Government Fruit-Preserving Institute, Coonoor.]

We have the honour to hand you herewith the balance sheet of the above Institute as at 31st December 1924, duly certified, together with the relative profit and loss account for the quarter ending that date.

We have to report on the accounts as under :—

It will be found that in this quarter the cost of production has gone up, mainly due to the production being very small; sales were much below those of the previous quarter.

* * * *

Travelling and out-of-pocket expenses on account of the audit will be adjusted in the final accounts 1924–25.

The preliminary expenses and experimental charges will be adjusted to capital account in the balance sheet as at 31st March 1925 as directed by Order No. 2002, Development, dated 21st November 1924.

Subject to the above, we certify that we have obtained all the information and explanations we have required and that the balance sheet referred to above, in our opinion, exhibits a true and correct view of the state of the affairs of the Institute according to the best of our information and the explanations given to us and as shown by the books of the Institute.

SUB-ENCLOSURE.

GOVERNMENT FRUIT-PRESERVING INSTITUTE, COONOOR

Balance Sheet as at 31st December 1924.

CAPITAL AND LIABILITIES.	RS. A. P.	RS. A. P.
Capital—		
Government of Madras—		
Balance as per balance sheet as at 30th September 1924.	1,45,725 14 7	
Add withdrawals as per contingent bills.	10,128 7 10	
	1,55,854 6 5	
Less Remittances into treasury, etc.	3,887 7 11	
	1,51,966 14 6	
Add Reserves for expenses—		
Direction charges	875 0 0	
Audit and organization	1,771 10 8	
		1,54,613 9 2
Liabilities—		
For expenses	2,003 0 3	
For customers' credit balances ..	33 12 0	
		2,036 12 3
Carried over ..		1,56,650 5 5

PROPERTY AND ASSETS.	RS. A. P.	RS. A. P.
Fixed capital expenditure—		
Land—		
As per balance sheet as at 30th September 1924.		9,280 12 9
Buildings—		
As per balance sheet as at 30th September 1924.	45,355 12 2	
Less Depreciation to date ..	3,722 12 2	
		41,633 0 0
Plant and machinery—		
As per balance sheet as at 30th September 1924.	15,548 6 7	
Less Depreciation to date ..	2,943 6 7	
		12,605 0 0
Office furniture—		
As per balance sheet as at 30th September 1924.	2,799 15 4	
Less Depreciation to date ..	333 15 4	
		2,466 0 0
Water-supply—		
As per balance sheet as at 30th September 1924.	3,036 15 6	
Less Depreciation to date ..	318 15 6	2,718 0 0
		68,702 12 9
Road—		
At original cost	387 14 0	
Less Depreciation to date ..	29 14 0	
		358 0 0
Utensils, as per valuation		782 5 6
Laboratory, as per valuation		741 15 6
Library, as per valuation		122 0 0
Garden account		521 8 0
Carried over ..		71,228 9 9

Balance Sheet as at 31st December 1924—cont.

CAPITAL AND LIABILITIES—*cont*	RS. A. P.	RS. A. P.
Brought forward ..		1,56,650 5 5
		1,56,650 5 5

PROPERTY AND ASSETS—*cont.*	RS. A. P.	RS. A. P.
Brought forward ..		71,228 9 9
Preliminary expenses—		
As per balance sheet as at 30th September 1924.		4,459 3 5
Experimental charges—		
As per balance sheet as at 30th September 1924.		5,829 1 10
Loose tools, as per valuation ..		167 10 6
Stores stock, at cost		14,325 7 9
Stationery stock, at cost		368 14 3
Stock-in-trade—		
18,258 lb. at As. 7 per lb. in containers at the Factory.	7,987 14 0	
71 lb. at As. 7 per lb. in containers at Agricultural Show Rooms.	31 1 0	
		8,018 15 0
Advertisements prepaid	..	82 0 0
Book debts—		
Considered good	..	3,835 1 3
Cash and other balances—		
Stamps in hand	161 0 6	
Imprest cash	215 0 0	
Cash in hand	150 7 1	
		526 7 7
Profit and loss account—		
As per balance sheet as at 30th September 1924.	42,635 12 5	
Add Loss as per profit and loss account.	5,173 1 8	
		47,808 14 1
		1,56,650 5 5

Examined and found correct subject to our report of even date.

MADRAS,
23rd April 1925.

FRASER & ROSS,
Chartered Accountants,
Commercial Accountants and Auditors to the Govt. of Madras.

Profit and Loss account for the quarter ending 31st December 1924.

	LB.	Annas per lb.	RS. A. P.	RS. A. P.
To Stock on 1st October 1924.	16,238	7·00	..	7,104 2 0
,, Cost of Production—				
Fruits			955 9 1	
Sugar			1,214 5 0	
Other raw materials.			8 15 0	
Sundry stores ..			297 8 3	
Containers			830 9 3	
Fuel			169 1 6	
Wages including supervision.			783 9 6	
Factory petties ..			8 4 0	
	8,437	8·09		4,267 13 7
,, Office expenses—				
Lady manager's pay.			950 0 0	
Staff salaries ..			1,724 13 6	
Advertisement ..			992 11 0	
Printing and stationery.			210 11 10	
Postages and telegrams.			87 12 0	
Packing and transport.			120 9 0	
Samples			28 14 0	
Sundry expenses ..			6 2 0	
	..	7·82		4,121 9 4
,, Other expenses—				
Rates and taxes ..			123 4 0	
Direction charges ..			125 0 0	
Audit fee			150 0 0	
Repairs and renewals.			51 8 0	
Experimental charges.			55 15 0	
Tools, utensils, etc., written off.			140 0 0	
	..	1·22		645 11 3

	LB.	Annas per lb.	RS. A. P.
By Sales—			
In October 1924	2,392		
In November 1924	1,808		
In December 1924	1,729		
	5,929		
Less Returns	81		
	5,848		
At the Empire Exhibition ..	432		
	6,280		
Samples issued	66		
	6,346	9·19	3,646 3 6
,, Stock	18,329	7·00	8,018 15 0
,, Loss	..	9·26	5,173 1 8

Profit and Loss account for the quarter ending 31st December 1924—*cont.*

	LB.	Annas per lb.	RS. A. P.	RS. A. P.		LB.	Annas per lb.	RS. A. P.
To Depreciation on—								
Buildings at 3 per cent.			340 0 0					
Plant and machinery at 7 per cent.			271 0 0					
Water-supply at 7 per cent.			54 0 0					
Furniture at 5 per cent.			34 0 0					
	..	1·32		699 0 0				
Total ..	24,675	25·45		16,838 4 2	Total ..	24,675	25·45	16,838 4 2

N.B.—Interest on capital has not been charged.
Interest on the capital of Rs. 1,45,725-14-7 at 5 per cent for the quarter is Rs. 1,822.

		RS.	A.
Note.—Cost per lb. as per Profit and Loss account	..	1	9·45
Cost per lb. of Opening Stock	..	0	7·00
Cost of Production per lb.	..	1	2·45

II

Endorsement of the Accountant-General, No. Nil. 4-79, dated Fort St. George, the 14th May 1925.

Forwarded.

* * * *

M. SUBRAHMANYAM,
Deputy Accountant-General.

To the Secretary to Government, Development Department.

III

Letter from E. F. THOMAS, Esq., C.I.E., I.C.S., Director of Industries, to the Secretary to Government, Development Department (through the Accountant-General), dated Camp, Ootacamund, the 11th May 1925, No. 163-E.

The sales were very restricted during the period covered by the audit report since in addition to the alleged complaints about the quality of jams, the products had to meet the severe competition of Australian and other cheap imported jams which are flooding the markets.

As there is a considerable stock of jam on hand, only a very small quantity of jam is at present being manufactured at the Institute and consequently the production cost is expected to mount even higher during the current quarter.

IV

Endorsement of the Accountant-General, No. Nil. 4-111, dated Fort St. George, the 21st May 1925.

Forwarded in continuation of this office Endorsement No. Nil. 4-79, dated 14th May 1925.

2. It is for the consideration of Government whether in view of the fact that only a small quantity of jam is at present manufactured at the Institute as stated by the Director of Industries in paragraph 3 of his letter to Government, the establishment, the retention of which has been sanctioned in G.O. No. 650, Development, dated 1st May 1925, should not be reduced to the indispensable nucleus.

J. C. NIXON,
Accountant-General.

To the Secretary to Government, Development Department.

[19th August 1925

Order—No. 942, *Development, dated* 30*th June* 1925.

Recorded.

With reference to paragraph 2 of the Accountant-General's Endorsement No. Nii. 4-111, dated 21st May 1925, the Director is requested to report what reduction is possible in the establishment sanctioned for the Institute in G.O. No. 650, dated 1st May 1925.

(By order of the Government, Ministry of Development)

G. T. H. BRACKEN,
Secretary to Government.

To the Secretary, Legislative Council (for placing the order on the Council table).

APPENDIX XIII.

[Vide item IV (1) Communications to the Council on page 219 supra.]

G.O. No. 946, Development, dated 3rd July 1925.

READ—the following papers :—

I

Letter from Dr. B. SUNDARA RAJ, M.A., PH.D., Director of Fisheries, to the Secretary to Government, Development Department (through the Accountant-General), dated Madras, the 4th May 1925, Ref. No. 99-P/25-3.

[Cannery—Accounts—Audit report for the quarter ending 31st December 1924.]

I have the honour to forward herewith a copy of letter, dated 24th March 1925, received from Messrs. Fraser & Ross, Commercial Accountants and Auditors to the Government, and the enclosures received therewith regarding the audit of the accounts of the Government Fisheries Cannery for the quarter ending 31st December 1924. Reduced production during the period led to the loss of Rs. 699-11-11. The sales did not show any improvement over the previous quarter.

2. As regards the suggestion contained in the last sentence of paragraph 2 of Messrs. Fraser & Ross's letter referred to above, I have dealt with it in my letter No. 1046-P/24-36, dated 30th April 1925. In the circumstances explained in my letter quoted, further reduction in the Cannery establishment does not seem possible.